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Letter of Comment No: 3579
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From: Deborah Rizzo [Debr@Sierrahealth.com]
Sent: Wednesday, June 09, 2004 6:35 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Deborah Rizzo
5855 Egan Crest Drive
Las Vegas, NV 89149

June 9, 2004

Ms. Suzanne Bielstein
Financial Accounting Standards Board
401 Merrit 7
Norwalk, CT 06856-5116

Dear Ms. Bielstein:

Re: Share-Based Payment Exposure Draft

I work for a company that allows employees to purchase my employer's stock at a discount through an Employee Stock Purchase Plan (ESPP). I understand that the Financial Accounting Standards Board (FASB) has proposed a change to accounting standards that would require my company to count this discount as an expense against its earnings (Share-Based Payment exposure draft). I respectfully request that you reconsider this proposal and not require expensing of the discount allowed in ESPPs.

I am concerned that required expensing of the discount in the ESPP may make this valuable benefit plan less attractive to my employer, potentially causing my employer to either discontinue the plan, or reduce or eliminate the current discount. If the discount is greatly reduced or eliminated, buying company stock through the ESPP would no longer be much of a benefit. Unlike benefits aimed only at high-paid executives, this is a valuable benefit for employees across the company.

The ESPP is a very important benefit to me. Being able to participate in an ESPP has enabled me to invest in my financial future and experience a sense of ownership in my company. This benefit helped attract me to and serves as an incentive for me to remain with my employer. I could even say I continuously strive to perform to the best of my ability because I am an owner of the company.

This benefit has been a valuable asset to our organization and its employees. Those that have participated in the option have reaped tremendous results. Many have been able to put a down payment on a new home which they otherwise would not have been able to pursue. Others have been able to afford college expenses for their children that would have put strain on their normal income. Personally, I have been able to pursue further education with the money received making my opportunities for advancement both personally and professionally achievable. As a nurse working in a state that is at the bottom of the list for the amount of nurses needed to care for our communities, my education is extremely important and benefits everyone. The financial strain that will be suffered by all employees wanting education can be unachievable without the stock option. If passed, our organization will most likely eliminate the option benefits....what a horrible shame to take away something so worthwhile for employers to offer their employees!

Millions of workers like me in companies across the country are able to

purchase their employer's stock through ESPPs. This builds company loyalty and helps to promote high standards of work when employees have a sense of ownership.

I strongly urge FASB to consider the negative impact the proposed rule would have on the nearly 16 million workers like me and eliminate the expensing requirement for ESPP discounts in the final rule.

CC:
SEC, Chairman, William Donaldson
SEC, Chief Accountant, Donald Nicolaisen
Employee Ownership Coalition (eoc@vennstrategies.com)

Sincerely,

Deborah Rizzo RN